

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 7419

BILL NUMBER: SB 398

NOTE PREPARED: Jan 7, 2003

BILL AMENDED:

SUBJECT: Medicaid fraud.

FIRST AUTHOR: Sen. Dembowski

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
DEDICATED
☒ **FEDERAL**

IMPACT: State

Summary of Legislation: This bill provides that a person commits a Class D felony if the person bills Medicaid for an amount that exceeds the person's usual and customary charge for a product or service.

Effective Date: July 1, 2003.

Explanation of State Expenditures: This bill changes the definition of one aspect of Medicaid fraud from "filing a Medicaid claim in violation of IC 12-15" (Indiana's Medicaid statute) to "filing a Medicaid claim for an amount that exceeds the person's usual and customary charge for a product or service." Medicaid fraud is punishable as a Class D or Class C felony. While this narrows somewhat the definition of fraudulent activity with respect to the filing of Medicaid claims, the practical implications represent a minimal, if any, fiscal impact.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Office of Medicaid Policy and Planning; Office of the Attorney General.

Local Agencies Affected:

Information Sources: Cathy Rudd, OMPP, 232-1244; Jennifer Thuma, Office of the Attorney General, 233-

6143.

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